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Don't you think that we should turn this
seller over to Kintner? Please let me
know if you agree.





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Pending.

Report by **WILLIAM J. HANCOCK**

to General William J. Hancock

Officials of the Italian Embassy inform me that the only case of an American correspondent who in recent months has sought to obtain a visa to enter Italy was that of Charles Chaplin, who left the Rome office of the Associated Press early in the spring, on leave, and who asked permission to return to Italy. This permission was denied by Rome. The embassy here does not know the reason for the denial. It is believed, however, that the situation may have changed recently. It is probable that the person most likely to obtain permission to return to Italy would be my colleague, Michael Chicago, whose close personal contacts in Rome established during nearly eight years of residence are unusually good. I, too, might possibly obtain permission to re-enter the country, in view of the fact that the removal of Chicago and myself was primarily conditioned on the belief by International News Service officials that war was imminent and that it was wiser to leave American witnesses in Rome. Undoubtedly the best line to take would be that of the International News Service officials here, minimizing the probability of a long period of what might be called "extended hostility" between Italy and America, had decided to send back either Chicago or myself, or both. This would be particularly convincing if it were done fairly quickly, because the temporary setup I established on leaving Rome has not worked, and at present is not adequate International News Service coverage from Rome. I shall ask Harry Davis, the General Manager of I.N.S. to consider sending me back to Rome, but under the circumstances I cannot press the request.

Report by ~~Walter Winchell~~

Note to Colonel Donovan--~~continued~~

It seems to me that some work from you or someone equally important in the national setup--either to Paris or to Joseph Connolly, or even to Mr. Harriet himself--would be the best means of approach. Telling that, I might try to suggest to the Italians here to sound out Harriet as to his acceptability as correspondent for some other organization. But I cannot do this until it can be carried out in a formal manner as an official application to be forwarded to the Foreign Office and War Department in Italy.

GENERAL COMMENT ON THE CURRENT SITUATION IN ITALY

Report by JAMES WILSON

The attitude of the American public toward the Italian situation is mainly based upon misinformation and vicious thinking. The state of affairs of the Italian people at this time is far better than it was six months ago. Indeed, it can be said that in some respects it is better than it has been since the war with Great Britain started. The Italians were extremely badly prepared psychologically for the war. They had not recovered from the effects of participating in the Ethiopian War and Spanish Civil War, and needed a relatively long period of quiet and recuperation before embarking on what is obviously the most serious and the most dangerous of all the enterprises undertaken by the present government. Indeed, the so-called " pact of steel " between Germany and Italy in 1938 foreman the need for three years of military, moral, and psychological preparation. The Italian upper classes, particularly in the North, have traditionally tended to be pro-British and anti-German. The common people remember the sacrifices and the hardships of the last war with Germany, and have never had any close feeling of friendship with the people or temperamentally different from them. It used to be said, popularly, that in the South of Italy the ancient enemy was the Turk and in the North the Austrian, which really meant the Germans. During last winter, after the terrible reverses in North Africa had revealed the degree of lack of preparation and the extent of suffering involved in the war, morale reached a low point. Then in the spring, when German soldiers and officials flocked into the country in connection with their participation in the Libyan campaign, a large number of Italians openly grumbled about what they called the occupation of the country by the Germans. The upper classes said that Italy

Report by [REDACTED]

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has lost the benefits of a century of national independence, and has been
 the national dilemma of choosing the German nation to save her from
 disaster. It was a choice between Germany and England, and the type chosen
 at least, pretty nearly favored England. All this has changed during the
 last three months. In the first place, the war, as a material, physically
 distressing factor directly affecting the lives of the people, no longer
 has its Italy's threshold. Mussolini's personal prestige, which had fallen
 to an exceptionally low point because he was blamed for having ordered the
 disastrous Albania campaign is now to achieve a symbolic victory to
 celebrate the fascist anniversary of March 23, and since that time gradually
 has risen. Mussolini has been wise enough to be fairly honest in what he has
 said to the Italian people, and to avoid close contacts with the Italian people
 during the bad days. He has also been psychologically skillful in repeating
 one of the greatest propaganda achievements of the early fascist period.
 It will be recalled that, long before Hitler went about proclaiming that
 Germany had never been beaten on the battle field but had been broken asunder
 on the home front, Mussolini created the myth of "Vittorio Veneto." That is
 to say, he made the Italians believe that Italy's recovery after Caporetto
 reached the Austrian army and hence broke the back of German resistance in
 the first part of the war. Again Mussolini skillfully avoided responsibility
 for a campaign which presented very similarities from a military point of
 view with the famous Tenth Battle of the Isonzo, proclaiming that Italy
 had won the German army had intelligent Italians--and the German people
 are as smart as intelligent as the educated--congratulating that it was
 Germany who suffered defeat, but Mussolini's propaganda, confusing the
 facts with a deliberate pattern designed to bolster morale, has effectively

report by [redacted]

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member--about the shrapnel and shrapnel--and of the Italians about the
 called that shrapnel shots of the fighting. In addition to all this,
 the Italians simply have grown accustomed to war conditions. Always a
 people with a low standard of living and with extremely restricted liberties
 in the American sense, they have adjusted themselves to present conditions
 and their life is under them. Of course, many still grumble, but their
 discipline provides a safety valve. The very fact that Italian discipline
 is less efficient than the German where it more elastic and better able
 to weather sudden eye and stress. Military morale also has improved. In
 this connection, the willingness of Mussolini--and long last, after a great
 deal of ill-considered interference--to leave the generals do their job, has
 played a great role. The death of his son undoubtedly has improved his status,
 both with the civilian population and the military. Previously the Italians
 had believed that while Hitler was effective command in the field, Mussolini,
 remained Generalissimo, had never directly participated with the troops
 in the various campaigns, and at the same time had permitted political
 factors to get him away from the military men in their most essential tasks.
 But by his, the army has taken over control in the little things as well as
 the large. Younger men are coming to the front. Differences and tensions
 between the Black Shirts and the regular army men have reached the vanishing
 point. Mussolini has learned, the army has learned. I should say that an
 extremely great security of the country believes that Italy is set in the
 way to the finish--whatever it may be. It has become a matter of most im-
 portant of national survival. There is not the slightest possibility of
 agreement for the overthrow of Mussolini or Fascism at this time. On the
 other hand, the very fact that Fascism has become merged into the pattern of a

report by FRANK WILSON

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tion of arm loads may obstruct to believe that Fascism in the present
 has almost long survive the war, even if there be a victory. It was not
 until the end of the winter that Mussolini realized the extent of the
 public against political "stay-at-home-ism." But as soon as he did recognize
 it, he ordered cabinet members, Fascist officials, and other "stay-at-home-ers"
 to go to the front or to get out of sight. In the possibility of the overthrow
 of Fascism he sought one or the other of the horns of the dilemma. On the
 one hand, there is no dependable force around which such a movement can
 carry. On the other hand, any such movement would obviously make it necessary
 for the Germans to take over, lead, stock, and barrel. An interesting sidelight
 on this respect was the fate of the ultra Fascist Iron Guard Movement in
 Romania, which was ruthlessly destroyed because it failed to play ball with
 the German military machine. The present regime in Italy does play ball.
 No other stands a chance until the war is over, or until this war falters
 in its allegiance, which is impossible during the lifetime of Mussolini.
 All of the so-called "forces of order" in Italy which might have led or
 inspired an anti-Fascist movement have disintegrated. First the Church:
 The Pope heads an organization, which, whether American Catholics like it
 or not, is essentially Italian, in spirit and in organization; the Church
 with a vast worldwide administrative job to handle, knows that antagonizing
 Italy might run the risk of setting off the financial and other ties which
 are absolutely essential for its survival; finally, the Pope, realizing
 the impotency of any moral force in a world in the grip of violent, essentially
 irreligious currents, has concentrated his personal energies on keeping
 intact a neutral and authoritative agency which might at the end of the
 war play a great role in the peace, and prevent that peace from being, as

Report by ARTHUR WEISS

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was the last, the generator of still further disaster. Second: The monarchy is thoroughly discredited as a potential national bulwark, independent of Fascism. The King, an intelligent man with a long term historical sense, is represented by his intimates as feeling that it is his task to preserve the monarchy at any cost and to play along with a regime which, whatever his personal disagreements with it may be, is satisfying certain historical aspirations. The aristocracy and upper middle classes are weak and disoriented. Liberalism, in its middle class sense, has only the slightest influence.

Italy did not want the war. Mussolini advised Italy through Ciano that Britain would fight. Hitler disregarded that warning. Mussolini lived up to his bargain. He did so for two, among other, reasons. First, because he believed in Fascism--that is to say, he believed that the so-called "young, laborious, populous people of Europe" would dispossess the British and French empires. Second, Mussolini, gradually moving away from the old competitive attitude with Hitler, has bit by bit established an amazing psychological relationship with the German leader. It may sound odd, but I say flatly, as a person with a certain competency in psychology, that Mussolini loves Hitler--Mussolini, the strong, virile male is vastly attracted by the soft, more or less mystical Hitler--and vice versa. Mussolini suggests--Mussolini is the idea man. Hitler ponders the ideas, decides and chooses among them, and turns them over to his marvelous technical staff for execution. The people of Italy want no war at all. A very large number of them still ask not who will win, but when will it end? Now, however, most of them are convinced that the German war machine will provide that answer. Or rather, they were so convinced until it became

Report by FREDERICK TITMUS

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plain that America was in the war in fact and would be. In some near future, he fears the Italian upper classes gradually lost their links with England, or perhaps it should be said, while continuing to talk in a pro-British fashion, they lost any hope of a British success. The great common masses in Italy, always sympathetic to the Americans--connected with them by the millions of immigrants who have flooded to these shores over half a century--have of late been becoming bitter about America. They say it's America's fault that the war is continuing. England is bad enough in providing help to other nations which isn't fully provided, but America is far worse in making the whole world fight for it. Propaganda has effectively sold the notion that America is materialistic, and that its aid to Britain is intended as a bid for the power and even the possessions of the British empire. Yet American intervention, vital intervention, would have an enormous effect on the Italian people. America is still the fascinating, magical country. America is still the country which--despite the myth of "Vittorio Veneto"--won the last war.

Neither economic pressure or moral pressure nor any other non-military factor will crack the Italian people. Italy's training for the belt-tightening of the present war goes back far beyond the period of sensibleness. Italy cannot be starved out. Italy cannot be frightened out of the war, for the good and sufficient reason that the population of a totalitarian state is necessarily always more frightened by the state itself--by the open and secret police, by the vast paraphernalia of physical pressure close to hand--than it can be by some remote outside agency. Italy can definitely be defeated, but it must be defeated by force of arms. Nothing has hurt the British cause in Italy more than the British's recklessness and stupidity

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... by ...

... the war of men and in the war of ideas. Whereas the Germans, ...
 ... have carefully controlled Italian self-esteem, the ...
 ... have allowed the Italians ...
 ... the traditional Anglo-American unhesitant and condescension toward ...
 ... "inferior people." Whereas, the Germans, making no pretense, have ...
 ... violently baited the Italians out of tight spots and changed the Italians ...
 ... the Axis came by getting into these tight spots, the British ...
 ... repeatedly threatened the Italians with all sorts of military punish- ...
 ... such as raids on Rome which never really materialized. At this stage ...
 ... the point is no point whatever to stress the hardships, such as food, ...
 ... of the civilian population. If Britain--and this may ...
 ... to recover any measure of prestige in Italy, she ...
 ... about military suffering of the civilians. If the British were ...
 ... their excessive caution about bombing Rome and possibly ...
 ... and nothing of this kind would really affect the Italians' ...
 ... toward the war, which, as has been said, is based on deeper and ...
 ... they would regain lost prestige. Every accomplished ...
 ... and they have been far too busy, convinces the Italians ...
 ... play along with the Germans. Every humanitarian appeal, ...
 ... speech by an American official, hurts the Anglo-American ...
 ... the presence of American flying fortresses in raids ...
 ... instead of say raids, would help the Anglo- ...
 ... the Italians are beginning to ...
 ... That is the only language which should be ...
 ... Italy will not become subject to the territorial effects ...
 ... after America shows itself to

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to a military power which has no other means of self-defense. The only means of self-defense which it has is its air force. It has for a long time been supplying the Italian with anti-aircraft defenses, and to make up for a lack of personnel, Italy is dealing with such matters. Italian pilots are all prepared for such duties. The aircraft are not new, they have been in service for some time. For their distribution, the fighting equipment and services are rudimentary. Anti-aircraft defenses are largely obsolete and worn. The British, in refraining from bombing cities containing artistic treasures, such as Rome, Florence, Venice, and the many others of central Italy, are doing to the old pre-fascist nations of Italy what they should be doing to the old pre-fascist nations of Italy. Instead of respecting these cities, at least the barracks within them should be made targets, and the danger to historical treasures would bring home to the Italian as nothing up to the present has, the grim reality of the price of their association with a nation which has not respected such treasures in England and elsewhere.

Considerable sums of money are spent for electronic devices in jamming British broadcasts by Italians--to all know how many times they must murder any broadcasts of themselves--except to pick up the broadcasts by skillfully tuning in at the outside edge of the wave lengths. This can be done when the listener is the focal point of a great body, so that Italy is well-informed of the latest version of our events. It is a great tribute to British honesty--let us say relative honesty--that the Italian, despite the crowding of their press against London lies, tend to wait for the London version of any particular event before jumping the gun. This is the British version. At times it has been said that the Italian

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force in not at war with England, but with the British Broadcasting Corporation. American broadcasts are carefully over heard except into the night by small groups of listening machines. American propaganda in Italy, to be effective, should be based almost entirely on two things. First, presenting sedulously factual details of growing American power and illustrating how this power is effectively being used. Second, presenting the Italians with precise facts, particularly those bearing on military matters, which eloquently reveal that America knows exactly what is going on inside Europe and is in a position to tell Europeans what their own leaders keep from them. Nothing is more harmful, however, than erroneous information on this second point. To tell Italians of rumors of troop movements in Italy which have not really taken place, or of raids which have not occurred, discredits those who send out the information. In my opinion, direct American broadcasts to Italy in English, in Italian, and in French, of sufficient power to be effectively heard--and in short-wave broadcasting power is the key to everything--would have an extremely valuable effect. From America the distance is too great, yet it may be possible by some sort of relay, perhaps via Puerto Rico and Liberia or some other place on the African continent, or perhaps from Casablanca or Lisbon. The best plan would be for a secret, really high-powered American station, at least as powerful as Moscow or London, operating from someplace in the British Isles.

British radio have thus far done no more than scratch the surface. Only the recent ones in Berlin have been really successful. Naturally the exact damage cannot be ascertained. The pamphlets we made their lasting will some time ago really carried out extensive damage to the

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...carrying the tough eastern part of the country. It is hard to understand why the British stopped after the first raid, or why they made the psychological error of using men of Italian origin. If instead of Italians, British paratroopers who turned out to be American volunteers were employed, the effect on morale would be great. It cannot be too highly emphasized that the Italians consider the British to be fighting a defensive war as compared with the German effort, and something which proves to the Italians or allows them to believe that the British are as tough on the offensive on Italian soil as they are on German soil, would weigh heavily in the balance in forming opinion.

The notion current in this country that the Germans control Italy is incorrect. There are many times more Italians in Germany than there are Germans in Italy. At least 300,000 Italian workers, including scores of thousands of skilled artisans, are working in German factories. The great influx of German troops into Italy last winter and spring created temporary impressions that the Germans were in charge. Most of these men have left Italian soil, although considerable numbers remain in Libya, and some in Italy and in the area south of Naples. To be sure, there are German advisors in many of the ministries. The German embassy has great influence at the foreign office. Valigi, of the Ministry of Popular Culture, that is the ministry of propaganda, tends to be dominated on joint Axis matters from Berlin, but this results from the simple fact that the Germans are fighting this war more than the Italians, and also from the practical fact that the German propaganda machine is better and more efficient than the Italian. German technicians have provided much help in training Italian armored forces, especially tanks and anti-tank and anti-aircraft artillery.

Report by Frank Wisner

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The Army they have of late played a great role. Italy as present has
the Italian Air Force. I should say that at least a third of
the number is not equipped in the most modern fashion. Possibly a half
of the men were used in the Albanian campaign. The entire Italian
army is followed by Italian troops from Trieste to the Greek Islands.
expeditionary force to invade consists of small troops with excellent
equipment. Italian aircraft production is slowly stepping up. The raids
by the British have not succeeded in disrupting production. A low
estimate is from 750 to 400 planes a month, a high estimate, perhaps 1000 or
1100. Old machines, mostly inferior to the British in armament and in
speed, are gradually being replaced by new types, which include a new
fighter and a new all aluminum fleet bomber.

Considering all the circumstances, the health of the Italian people
is generally good. Of course, the physical resistance and endurance of
the Italians are normally exceptionally good. Plenty of sunlight and a
relatively even climate reduces the necessity for as much fat proteins and
high calorie substances in the diet. Meat was never a staple of the Italian
diet, at least of the common people, and its restriction to one day and
a half each week is no hardship. It would serve no good purpose at this
time to attempt the details of shortages, but it is probable that by
early winter they will begin to impinge upon the health of the civilian
population, particularly in the cities. Even for the conquest and occupation
of Italian territories does not seem to have improved the food situation,
perhaps because the supplies are going to Germany, or perhaps they are
being sent to the armed forces in Italy, or perhaps because they
are being stored for later use.

Report by [REDACTED]

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There is not any type of food in which shortage fails to exist, not even fruits and greens during the present summer. For any propaganda appeal based upon such fundamental facts must carefully satisfy two requirements. Instead of being general it must reveal a specific knowledge of the exact situation in the various Italian cities and localities, in order to avoid the accusation of being "nothing but gross propaganda," and it must effectively sidestep running into the fundamental Axis propaganda argument that America is enormous and excessively rich, and wantonly depriving other countries of their entirely just rights to a minimally decent standard of living. So far as I know, the health of the army has been exceptionally good. The diet of the ordinary soldier has been well above the level to which peasants and even city dwellers in most of the southern region of Italy have been accustomed in peacetime. Even with the civilian population, the food problem is still one of acute inconvenience so far as the ordinary people are concerned, rather than that of real suffering. To illustrate the hazards of foreign propaganda about such matters as wartime shortages, it can be pointed out that any emphasis on the lack of heat--and there probably will be little if any in ordinary homes in such cities as Rome this coming winter--must take into account that heat of any kind in all but the homes of the wealthy was practically unknown until a generation or two ago.

The general point I am trying to make is that propaganda to be effective in Italy cannot be based on a contrast between present conditions in Italy and those in the United States. It must be based on the fear that even with a German victory, conditions will become worse in Italy and will shut off the hope of such material well-being as has been the implicit promise of the Fascist regime. Fear is its soul, indeed in its trivial manifestations, is

Report by Robert Vignelli

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the almost total lack of all political pressure in Italy. The American emphasis on hope and perfectability is alien to the Italian experience and temperament. There is much truth in the catch phrase that the classic weapons of Communist Russia, of East Germany and of Fascist Italy are respectively, terror, torture, and intimidation. After all, the Italians have lived for centuries on the one hand under a series of despots, and on the other hand within varying distances of the central found of hellfire. By temperament they make up for a profound apathy for resignation and adjustment by gossip and grumbling--which seldom translates itself into daring resistance to authority. They have very little romanticism, and hence very little appetite for risking their skins to better their lot. This all important fact must be kept in mind in gauging the possibilities of any kind of internal uprising. Against it, however, is the other fact that, accustomed to accept leadership which is bold and daring, they can swing over rapidly to the ranks of small minorities of individuals who demonstrate their ability to replace the currently existing constituted authority. A very dear friend of mine, one of the bravest of the younger Fascist leaders, once told me that the symbol of Italian insurrection is the man who, waiting in his house for the police to come and arrest him, shoots at them through the window, knowing that his gesture is hopeless in itself but will provide an example for hundreds of others who do not have equivalent courage. Thus in Italy the task is on the one hand to prepare the masses for new leadership and the other--by far the more difficult--to find the new leaders. Without the latter, the former is meaningless. Where are these leaders to be found? I have already suggested

Report by Philip ...

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that they do not exist in church circles, the aristocracy, the upper middle class, and among the extreme radicals. The only two remaining places are the army and the Fascist party itself. The prestige of the army is high and continues to grow. It must be remembered that Fascist Italy is an outgrowth of the discontent of lower middle class and working class young men who had risen to the rank of officers in the World War. Perhaps this process can be repeated. There are no outstanding names as yet. All the old names must be discarded. For example, men like Saloglio and Graciani are discredited. The Prince of Piedmont lacks the necessary strength, popularity, and showmanship, although the common people respect him as an officer. A more likely figure is the youthful Duke of ... turning to the party, the situation is almost the opposite of that in the army. The older men in terms of experience have remained and even strengthened their positions. Most important of them is the ultra extremist and friend of Germany, Farinacci, who remains firmly entrenched close to the top of the hierarchy. Of course such men can have nothing to do with the development of a new setup except as the targets for the aggressive action of younger men. If some young men were able to challenge and overthrow Farinacci, he would overnight become a national figure. It is scarcely necessary to say that such a feat would be enormously difficult and dangerous, but I think not impossible. There are dozens of minor figures in their thirties, most of them now serving with the armed forces, who are good enough party background to provide the raw material for the new setup. These younger men, by the nature of their party work, have realized that they are the people. Among them is Mussolini, who has been an assistant secretary of the party under several regimens, and who in a quiet way has

Report by Victor G. ...

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built up a stable following. Any considerations of party developments
 must hinge on the future of Count Ciano. The Duce's son-in-law, gradually
 overcoming a widespread unpopularity, has succeeded in intrenching himself
 as a figure who, while retaining the confidence of Mussolini, has made it
 clear that he is courageous enough to have opinions of his own. The
 Ciano clique has shifted its basis of operations from the party to the
 army. General Cavallero, the only military leader in this war to escape
 the censure of incompetency and defeat, is personally very close to the
 foreign ministers. Last winter the army did not have a high opinion of
 Cavallero, but now his position has greatly improved. To the army Ciano
 is a soldier who has really risked his skin in doing his duty. The Germans
 definitely do not like Ciano, because they cannot depend upon him. In
 private, Ciano even now expresses himself along clearly anti-German lines.
 I have the means--if I can return to Italy--of fairly constant access to
 Count Ciano, and hence to perhaps the best source of inside information
 in the country. In Italy such channels can be maintained in one of two
 ways, through personal friendships or through direct or indirect bribery.
 Information still can be bought in Italy, and at not too high prices.
 Had I known that such information would be of value--had I known that there
 were people here sensible enough to see its value, I could easily have
 assembled a comprehensive "who's who" of real and potential leaders, with
 thumbnail sketches of the means of winning or buying them. I did not have
 such knowledge, though I could probably manage, in a series of contacts
 with Italians here over a brief period of time, to refresh my memory on
 the subject. All such persons can be reached only from inside, hence the
 information about their personal situations would be useful only if we had
 men operating inside Italy.

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and a great battery in central balloons, in plants, and in manipulation
in the streets. Propaganda is a totalitarian state imposed not by
a hand but by being omnipresent. And just because of its omnipresence,
there is always the great appetite for material, no matter how silly or
trivial, which provides some relief from the deadly sameness of the
totalitarian. I think I have already expressed my opinion that the
effectiveness of underground propaganda, or for that matter of any
propaganda based upon personal or group emotion, is constant and endless.
A couple of months ago Ambassador Phillips in Rome called in
the correspondents to ask them to maintain some sort of dignified,
united front and appearance of unity in the face of Italian propaganda
aiming to suggest dissension and confusion among the American people. He
asked what the correspondents and other Americans present at the confer-
ence might say, but was unable to answer because, he indicated, such
statements would be outside the province of official in his position.
The conference, as was admitted, was a flop, and hurt rather than
helped. Almost any one of the men in that conference knew just exactly
what should have been told to the scores of Italians who listened for
information, but in the absence of any official support for personal
statements, no one was willing to probably took little advantage of his
freedom. I know that if I return to Italy I will be besieged both by
Italians and Americans for information. I know, furthermore, that my
statements would be accepted as close to face value. I could start and
maintain a really effective propaganda which, believe it or not, might
be carried out within forty-eight hours. If I
return to Italy, some small measure of the same kind of influence

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Report by PERCY WINNER

might be obtained by my establishing and maintaining contacts with Italian officials and Germans in this country. At lunch yesterday (August 13) with four ranking officials of the Italian embassy, it was clear that such an enterprise might stand a good chance of succeeding.

In conclusion, I should like to express my opinion on the subject of outside propaganda, directed by radio or otherwise, to Italy and to other countries within the German orbit. I feel that Americans generally fail to recognize the essential dualism which lies at the bottom of modern psychological propaganda. The double standard rests on the realization that what must be told the home public must not be told the foreign public. Naturally such a concept presents practical difficulties for Americans, but we must learn how to evolve our own techniques of keeping home and foreign propaganda separate and distinct. For example, emphasis on idealism and high moral purpose possibly serves a necessary end in bringing some measure of national unity within the United States. But anything smacking of Wilsonianism is deadly poison abroad. The Axis propaganda machine accuses us of being selfish, materialistic, ruthless, arrogantly domineering. If I had anything to do with foreign propaganda, I would not repudiate any of these accusations. I would accept them, alter them, and form them into the preliminary barrage of our actual military participation, which after all, must really be all these things. At home, on the other hand, I would allow, indeed instruct our propagandists to deny these accusations. Our purpose, abroad at least, is to confuse and divide our enemy, and inconsistency fosters this end. At home we must say that we are threatened, but that we menace no foreign nation. Abroad we must drive home the belief that our great power, far too secure to be seriously impaired or worried by the Axis conquests, cannot

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will not be a world of a world just at variance with our
 past. I would tell the world that we created all the arms which made
 possible the last conquests. Ford and the men who developed modern assembly
 production made possible the modernized army. America laid the basis
 of the technique of political propaganda. American philosophers, Hayek
 and others, created pragmatism and the modern concept of practicality.
 We created efficiency. We practically built a continental economy
 in Europe. We tackled about with culture methods. But in claiming all
 this I would emphatically point out that the Germans, in borrowing from us,
 perverted and misdirected what we let them have. I would point out that
 also, not as a political democracy, but as a twentieth century free
 world. We are the human machine, has the secret of reconciling individual
 freedom with national independence and well-being. I would not run away
 from the violent action in Europe that we are a violent people, but I
 would stress that notion that although we may have cruelties and brutality
 they are the attributes of the strong which are infinitely preferable
 to the weakness of the weak. Finally, I would try to suggest that America is
 the only war machine will work by each show itself more clearly to be in this
 modern America, a country of people with the highest material living
 standard of the world. Has evolved to finish the job it began in 1917
 and practically left unfinished. America won the last war. America will win
 the next. Not with the illusion of creating peace or anarchy, but with the
 notion that it is possible to create perhaps a century of worldwide
 national and national well-being, based upon the restoration of the assembly
 production from tanks and military airplanes production to the purposes of
 peace and well-being.

NAVY INTELLIGENCE DIVISION
 OFFICE OF SPECIAL OPERATIONS
 NAVY INTELLIGENCE

INTELLIGENCE REPORT

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...the people in the north of Bulgaria appeared to Mussolini to interfere with the revolution. He stated that the people in the north of Bulgaria are not in a position to interfere with the revolution. (The Bulgarian revolution will succeed, and if an effort is made to force them to do otherwise, the revolution will fail.)

...the revolution states that in connection with the revolutionary movement in the north of the three armed services to the revolution. In the opinion of people connected with the revolutionary movement, it is only in the north that they are increased pay and are not from the better and better society.

102-100

...the revolution states that in connection with the revolutionary movement in the north of the three armed services to the revolution. In the opinion of people connected with the revolutionary movement, it is only in the north that they are increased pay and are not from the better and better society.

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...the four (Mussolini) battalions which were recently reviewed by Mussolini were made up of long trusted Fascist Militiamen and these battalions have been organized as a personal guard for Mussolini and will not leave Rome. They are always nearby to protect him. Rating "B".

...the morale of the people in Naples has dropped to an all-time low since the initiation of the new bread rationing scheme. The whole spirit of the people has changed - from apathetic they have passed to a more resolute and dangerous attitude.

...at the Breda airplane parts factory near Rome the following was recently found scratched on a window with a diamond: "Morte a Mussolini e al Re Imperatore" (Death to all Italian tyrants). The factory was closed for two days for an investigation to be made and specimens of the handwriting and the finger-prints of all employees were taken. This information was learned from a man who works at the factory.

...About a week ago (in September) 3 trucks, loaded with machine guns, arrived at the back door of the Flora Hotel in Rome and unloaded them. These machine guns are now stored in the cellar there. Many German agents and GESTAPO agents live at the Flora. A revolutionary group to which informant belongs is investigating to see if machine guns have been stored in other hotels. Rating "B".

...Rating "B" - A few days ago Ciano had dinner with Signi and Volpe. These two men are said to control half the money in Italy. Contact reports that they are connected with the revolutionary movement.

...Rating "B" - At the high command in Rome everyone except a small group around Caviglioglio is against the Germans. Contact reports Caviglioglio is keeping in touch with various army people and when a chance comes will be ready to take over.

...Rating "B" - Contact states that Senise (head of Italian police) is in contact with revolutionary group. Mussolini does not trust his own people any more. He is afraid to drop Senise. Mussolini is now surrounded by German police feeling more sure of them than of the local Italian police.

...the strike is to continue until the rising October 1, 1960. The
...and will be not far underground. The
...at the end of the strike, progress of the strike will be
...100,000
...there was an Indian Government Cabinet meeting on Sunday.
...the strike was taken up. The Minister of Finance protests
...the strike, but was told by the Prime Minister "regional budgets must
...of the strike is not over".

130-108-100

[illegible]

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at the reception of the Italian people. The Italian people are very patriotic and they will be very loyal to the King. They will be very loyal to the King. They will be very loyal to the King.

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2. Date

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6. Summary

7. Notes

8. References

9. Distribution

10. Remarks

11. Classification

12. Remarks

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(c) There has been no strong leader yet uncovered who can tie together and coordinate the spirit to the extent needed for the success of this movement. It is believed that there are few men in Italy determined enough to take over the direction and control of a widespread revolution. While the average Italian has a gross, deep and raw revolutionary longings, it is mostly talk and very little real action.

and the House of Lords, during the present war, had proved itself to be very weak, and would not have the courage to change the present form of government unless tremendous pressure was brought to bear.

As for the sentiment of the whole, the military men can be a serious one for the revolution, partly as the regular army, while considerably numbers are known to be strong anti-Communist, they are still boys to their service, and I doubt if to make participants to any extent in the revolution, probably some effort could be taken, as almost anyone in Italy dares, to deliver arms to the revolutionaries. At the present time it is a very doubtful question. The Navy I feel would remain loyal to the House of Savoy, although there is a bourgeoisie and discontent within its ranks, and they too feel that Mussolini is finished as a leader.

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On the night of July 2, 1943, the Royal Attache had a long, personal conference with the Italian Ambassador, Count Ciano. Ciano found the Ambassador's attitude of the best possible. He explained in a measure the organization of the "Liberal Party", an anti-Fascist anti-war group which it is made up of what might be considered two sectors, which include university students, middle industrialists. The second sector is decidedly not. These two sectors are being organized each more as the present moment they have the same aim, the over-throwing of the war. He pointed out that after that these two sectors would come into open conflict, the first with a moderate or liberal form of government, the second with a more radical regime. In the second sector one to be found was a group of people who were working.

He stated that it is very improbable that the officers and men of the regular army could be persuaded to take active part in any uprising against the government of the present. The Reserve Officers and men, however, could be prevailed upon to do so. He was not at all sure with regard to the air force. He believed that the men of the air force could be drawn from this force. He went on to point out that the present stage is not in a position to act yet, but a strong one, but he was not permitted to mention the names of any individuals that he had mentioned to the party. He stated that the men of the first sector, university students and industrial people, could not be expected to take the lead in any revolution because, quite humanly, they had too much to lose, but direct action could be expected from the second sector when the time came. It was evident from his conversation, and as acknowledged by him, that there is a conflict of ideas within the party itself.

I asked him if the United States and America could help in any way to assist those Italians of Italy who want a free and liberal government here. He said decidedly yes. He said that the first sector, the moderate, does not want money or credits at the present time, but they did want help in publicity and bringing to the Italian people, as a state of affairs here. The second sector, he stated, would like money to organize. However, he was most emphatic in giving me to understand that he did not represent this sector and did not want me to accept that statement as representing their ideas. He offered to put me into contact with their leaders if I desired.

I asked him to lay down definite ways in which the United States and America could assist in freeing Italy from her present form of government and from German domination, and he gave me the following points:

(a) In all radio broadcasts and newspaper articles always treat Italy as two groups, one the fascist party and the other the Italian people. Insist that there is a division between the two and if anyone proceeds it should be on the fascist party and not on the Italian people.

(b) That in case Italy was able to break away from Germany, to end the war and make a separate peace, that the Italian people would be guaranteed the territorial integrity as it existed after the signing of the Versailles Treaty, that is, not to include those areas of the Dalmatian Coast and the Balkans which were taken during the last few months from Yugoslavia and Greece. He stated that Albania was not important to the Italian people and would not have to be included. He did, however, believe that he to Libya must be given back to Italy, England retaining such strategic points as are considered essential.

He said that the best condition that could be made for Italian prisoners of war is to have them sent to the United States where they would be given the same treatment as the other prisoners of war. He said that the Italian prisoners of war who had been taken to the United States were being treated very well and that they were being given the same treatment as the other prisoners of war. He said that this was well worth investigating by the British authorities.

He stated that the recent move made by England to ship some of the Italian families from Abyssinia to Madagascar in South Africa where they could earn a living was a splendid idea and should be broadcast and told to the Italian people who do not yet know of this excellent plan. He stated that this plan could be continued in other British colonies and it would have a profound effect there. If the news can be gotten through to the Italian people.

(a) He said that it was important that the people of England and America understand that Italy at the present time is not a free country; it must be realized that the extent of control now being exercised here by the Germans places her in a category similar to that of France, Denmark and Belgium, and they are not responsible for their own action are forced upon them by Hitler.

(c) He said that about a month ago, General Simovitch, the Yugoslav Prime Minister, broadcast stating that the British had promised Yugoslavia that if they could fight at the end of the war they would be given the Italian provinces of Istria and Trieste, and some other Italian territory. He stated that this was a general impression in Italy and had created an anti-British feeling. He went on to point out that it was imperative that this idea be cleansed from the Italian mind as soon as possible.

(g) He stated that in America the son of Mussolini, Signor Salvanini, Signor Borgese and Don Sturzo, a priest, had organized the society known as Italian Defense Society. The purpose of this group was a loyal and patriotic one, not anti-American in any phase, but merely one which will attempt to save Italian assets in America so that they will be available after the war. He pointed out that, if possible, this group should be helped and encouraged and that announcements be made that if Italy will break away from German domination her assets in England and America will be returned to her.

(h) In the organization of a new Europe, he stated that occupied and semi-occupied countries should be given equal say with victorious states in that organization. He did not include Germany as one of those countries which should have a say. He stated that he preferred to leave that out, but went on to explain that no organization of a new Europe could be successful unless the present occupied and semi-occupied countries had a say in its organization, especially in the organization of any new League of Nations or similar body.

(i) He urged that the Italian crews which were seized from the Italian merchant ships taken over by the United States Government be well treated and the fact be made known in radio broadcasts. The news has apparently gone abroad here that these crews are very badly treated. He did not object to the punishment of those individuals who were found guilty of sabotage.

(j) He pointed out that due to the low capacity of the average civilian radio set in Italy, and the hours of broadcasting, very few if any programs are received from America by a very large part of the population. To overcome this he recommended that the British Broadcasting Company broadcast news from America, by an American, talking without British censorship or control. He said this was a very important point and should be brought home to all our authorities who have to do with the dissemination of real news from America.

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[illegible]

Q. Now, did you ever discuss with him the possibility of a meeting between him and the American Ambassador in London, or did you discuss on this matter, or did you discuss the possibility of examining the means of doing this, and were you in to this because you thought that Germany would probably occupy and take this matter.

10. I asked him if his party had any plans looking towards the economic rehabilitation of Italy upon conclusion of the war and he rather showed a tendency to wait until the war is over before going very deeply into this matter. I pointed out to him that unless they had a well prepared plan which could be presented to the people, and also to the United States and England, his party could have very little chance of success, as the Polishevicks would undoubtedly take charge. I further pointed out that if they expect any financial or material help from England and America they must have such a plan. He said that some of their economists were working on these ideas but in a rather unorganized way as yet.

rather unorganized way as yet.
I will keep in touch with this contact and endeavor to see that one of the leaders of the other sector of the party.

5. In case it is decided to use any suggestions contained herein for propaganda or publicity purposes, in no case should the fact that this party is being formed in Italy be even suggested. Members of the party are now working under very dangerous conditions, and nothing should be done to add to their troubles.

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